(iii) Weaving, processing and garment machinery, which are covered under TUFS, have been extended the facility of accelerated depreciation at the rate of 50%. Cost of machinery has also been reduced through Fiscal Policy measures.

(iv) With a view to encouraging backward integration, the custom duty on shuttleless looms has been brought to 5%. A programme has also been announced to induct 50,000 shuttleless looms and to modernise 2.5 lakh powerlooms in the decentralised sector by 2004.

(v) Foreign equity participation upto 100% through automatic route has been allowed in the textile sector with a few exceptions.

(vi) National Institute for Fashion Technology (NIFT), its six branches and Apparel Training and Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.

(vii) To prepare and sensitise the textile industry to conform to the ecological requirements of importing countries by providing facilities by way of eco-testing laboratories.

Producing world class state-of-the-art material

3313. SHRI LAJPAT RAI: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that different sectors of the Textile Industry are capable of producing world class state-of-the-art material;

(b) if not, whether the deficiencies have been identified, industry-wise; and

(c) if so, how long will it take to come up to the required level?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAY KUMAR): (a) to (c) Although the Indian textile industry has the potential of producing world class, state-of-the-art material, most sectors suffer from lack of modernization, shortage of capital, high costs of credit, low labour productivity, poor attention to design and quality issues, etc. National Textile Policy 2000 announced by the Government in November 2000 seeks to address these issues in order to develop in, as short a time as possible, a strong and vibrant industry capable of producing good quality cloth at

acceptable prices, contribute increasingly to the provision of sustainable employment and the economic growth and compete with confidence for an increasing share of the global market.

Waiving off the loans of weavers

†3314. SHRI RAM NATH KOVIND: Will the Minister of TEXTILES be pleased to state:

(a) whether Government had started the weavers loan relief scheme in the year 1990 with a view to waiving off the loans to the tune of Rs. 10,000/- outstanding upto 1989 to be implemented by the State Cooperative Banks;

(b) whether the loans of the weavers belonging to all the cooperative weavers committees have been waived off by the Magadh Central Cooperative Bank in Jehanabad but loans of the weavers of Gaya district have not waived off till date;

(c) whether some MPs and the Weavers Association of Gaya have drawn the Government's attention towards this; and

(d) if so, the steps taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAY KUMAR): (a) Government of India had formulated a scheme known as "Agricultural and Rural Debt Relief Scheme 1990" (ARDRS) which was in force during the period from 15th May, 1990 to 31st March, 1991. Under the Scheme, the non-wilful defaults of Farmers, Land-less Labourers, Artisans and Weavers in rural areas to Public Sector Banks and Regional Rural Banks in respect of loans up to Rs. 10,000/- from these banks on or after 1st April, 1986, and instalments of term loans falling due after 2nd October, 1986 which were over due to banks as on the effective date of 2nd October, 1989 including overdue interest were written off. The liability was borne by Government of India. In the case of Cooperative Banks, a similar scheme was formulated by the State Governments on the lines of Government of India Scheme. The liabilities arising out of the State Scheme were shared by Government of India and the concerned State Governments in equal proportion. In the case of weavers' societies where wages and/or yarn had been provided as advance to the members such wages were considered as loans under the scheme and were eligible for relief under the scheme provided those satisfied the criteria for eligibility.

†Original notice of the question was received in Hindi.